

## **FIDUCIARY FUNDS**

### **PENSION TRUST FUNDS**

The **Employees' Retirement Fund** receives employees' payroll deductions for retirement and the City's matching contributions. It pays pension benefits to retired City employees.

The **Firemen's Pension Fund** receives an annual property tax levy of up to \$0.45 per \$1000 of assessed value, a portion of the state-levied fire insurance premium tax, and General Fund contributions. These moneys pay for fire fighters' medical and pension benefits which are not covered by the State's Law Enforcement Officers' and Fire Fighters' Retirement System and/or industrial insurance.

The **Police Relief and Pension Fund** receives support almost entirely from the General Fund. The General Fund contributions pay for sworn police personnel's medical and pension benefits which are not covered by the state's Law Enforcement Officers' and Fire Fighters' Retirement System and/or industrial insurance.

### **AGENCY FUNDS**

The **Guaranty Deposits Fund** holds temporary deposits of moneys from individuals or entities pending fulfillment of contractual agreements with the City.

The **Payroll Withholding Fund** receives City contributions and/or employee deductions for payroll taxes, such as Social Security (FICA), Medicare, and federal income tax; state retirement (LEOFF); savings bonds; and dependent child care. The contributions and deductions are paid to federal and state agencies and to other City funds.

The **Salary Fund** pays salaries to all active City employees. The funds that record the expenditures transfer moneys into this fund.

The **Voucher Fund** pays for all expenditures of the City except payroll, retirement benefits, and certain payments made by check or wire transfer. The funds that record the expenditures transfer moneys into this fund.

The **Residual Cash Investment Fund** receives cash available for investment from all funds. The common investment portfolio is managed by the Department of Executive Administration, Accounting/Treasury Services, which prorates the interest earnings and changes in fair value and transfers them to participating funds based on Ordinance 110749 and subsequent updates.

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## COMBINING STATEMENT OF NET ASSETS

### PENSION TRUST FUNDS

December 31, 2004

(In Thousands)

	Employees' Retirement	Firemen's Pension	Police Relief and Pension	Comparative Totals	
				2004	2003
ASSETS					
Cash and Equity in Pooled Investments	\$ 19,813	\$ 6,982	\$ 4,427	\$ 31,222	\$ 18,400
Short-Term Investments	26,378	-	-	26,378	33,057
Securities Lending Collateral	239,087	-	-	239,087	148,227
Investments at Fair Value					
U.S. Government Obligations	223,189	451	-	223,640	179,787
Domestic Corporate Bonds	104,046	-	-	104,046	138,206
Domestic Stocks	826,132	-	-	826,132	753,245
International Stocks	182,679	-	-	182,679	172,921
International Bonds	5	-	-	5	11
Mortgages	-	-	-	-	53
Real Estate	145,772	-	-	145,772	114,774
Alternative/Venture Capital	155,977	-	-	155,977	126,301
Total Investments at Fair Value	1,637,800	451	-	1,638,251	1,485,298
Receivables					
Employer - Due from Other Funds	33	11	-	44	130
Employer - Other	3,576	-	-	3,576	478
Employee	1,459	-	-	1,459	1,916
Interest and Dividends	2,936	2	-	2,938	2,754
Total Receivables	8,004	13	-	8,017	5,278
Equipment, at Cost, Net of Accumulated Depreciation	4	-	-	4	7
Total Assets	1,931,086	7,446	4,427	1,942,959	1,690,267
LIABILITIES					
Refunds Payable and Other - Due to Other Funds	683	8	29	720	668
Refunds Payable and Other - Other	6,851	1,218	2,646	10,715	8,259
Securities Lending Collateral	239,087	-	-	239,087	148,227
Total Liabilities	246,621	1,226	2,675	250,522	157,154
Net Assets Held in Trust for Pension Benefits	\$ 1,684,465	\$ 6,220	\$ 1,752	\$ 1,692,437	\$ 1,533,113

**COMBINING STATEMENT OF CHANGES**  
**IN PLAN NET ASSETS**  
**PENSION TRUST FUNDS**  
**For the Year Ended December 31, 2004**  
*(In Thousands)*

	<b>Employees'</b>	<b>Defined Benefit</b>	
	<b>Retirement</b>	<b>Firemen's</b>	<b>Police Relief</b>
		<b>Pension</b>	<b>and Pension</b>
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 36,819	\$ -	\$ 8,244
Plan Member	37,192	-	-
Taxes and Other	3	9,315	-
Total Contributions	74,014	9,315	8,244
Investment Income (Loss)			
From Investment Activities			
Net Appreciation (Depreciation) in Fair Value of Investments	155,561	(53)	-
Interest	12,969	130	-
Dividends	6,007	-	-
Total Investment Activities Income (Loss)	174,537	77	-
Investment Activities Expenses			
Investment Management Fees	2,916	-	-
Performance Measurement Fees	85	-	-
Investment Custodial Fees	212	-	-
Total Investment Activities Expenses	3,213	-	-
Net Income (Loss) from Investment Activities	171,324	77	-
From Securities Lending Activities			
Securities Lending Income	2,674	-	-
Securities Lending Expenses			
Borrower Rebates	2,060	-	-
Management Fees	153	-	-
Total Securities Lending Expenses	2,213	-	-
Net Income (Loss) from Securities Lending Activities	461	-	-
Total Net Investment Income (Loss)	171,785	77	-
Total Additions	245,799	9,392	8,244
<b>DEDUCTIONS</b>			
Benefits	77,289	7,609	6,954
Refund of Contributions	9,792	-	-
Administrative Expense	1,762	365	338
Transfers Out	2	-	-
Total Deductions	88,845	7,974	7,292
Change in Net Assets	156,954	1,418	952
Net Assets - Beginning of Year	1,527,511	4,802	800
Net Assets - End of Year	\$ 1,684,465	\$ 6,220	\$ 1,752

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**COMBINING STATEMENT OF CHANGES  
IN PLAN NET ASSETS  
PENSION TRUST FUNDS  
For the Year Ended December 31, 2004  
(In Thousands)**

	<b>Postemployment Healthcare</b>		<b>Comparative Totals</b>	
	<b>Firemen's Pension</b>	<b>Police Relief and Pension</b>	<b>2004</b>	<b>2003</b>
<b>ADDITIONS</b>				
Contributions				
Employer	\$ -	\$ 7,613	\$ 52,676	\$ 49,387
Plan Member	-	-	37,192	36,243
Taxes and Other	7,269	-	16,587	15,879
Total Contributions	7,269	7,613	106,455	101,509
Investment Income (Loss)				
From Investment Activities				
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	155,508	268,377
Interest	-	-	13,099	18,117
Dividends	-	-	6,007	7,727
Total Investment Activities Income (Loss)	-	-	174,614	294,221
Investment Activities Expenses				
Investment Management Fees	-	-	2,916	3,202
Performance Measurement Fees	-	-	85	94
Investment Custodial Fees	-	-	212	374
Total Investment Activities Expenses	-	-	3,213	3,670
Net Income (Loss) from Investment Activities	-	-	171,401	290,551
From Securities Lending Activities				
Securities Lending Income	-	-	2,674	2,121
Securities Lending Expenses				
Borrower Rebates	-	-	2,060	1,403
Management Fees	-	-	153	167
Total Securities Lending Expenses	-	-	2,213	1,570
Net Income (Loss) from Securities Lending Activities	-	-	461	551
Total Net Investment Income (Loss)	-	-	171,862	291,102
Total Additions	7,269	7,613	278,317	392,611
<b>DEDUCTIONS</b>				
Benefits	7,269	7,613	106,734	101,722
Refund of Contributions	-	-	9,792	13,218
Administrative Expense	-	-	2,465	2,593
Transfers Out	-	-	2	3
Total Deductions	7,269	7,613	118,993	117,536
Change in Net Assets	-	-	159,324	275,075
Net Assets - Beginning of Year	-	-	1,533,113	1,258,038
Net Assets - End of Year	\$ -	\$ -	\$ 1,692,437	\$ 1,533,113

**G-3 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**Page 1 of 2 AGENCY FUNDS**  
**For the Year Ended December 31, 2004**  
*(In Thousands)*

	<b>Balance January 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31</b>
<b>GUARANTY DEPOSITS FUND</b>				
<i>Assets</i>				
Cash	\$ 3,804	\$ 8,122	\$ 8,094	\$ 3,832
Total Assets	<u>\$ 3,804</u>	<u>\$ 8,122</u>	<u>\$ 8,094</u>	<u>\$ 3,832</u>
<i>Liabilities</i>				
Accounts Payable	\$ -	\$ 26	\$ -	\$ 26
Deposits Payable	<u>3,804</u>	<u>8,125</u>	<u>8,123</u>	<u>3,806</u>
Total Liabilities	<u>\$ 3,804</u>	<u>\$ 8,151</u>	<u>\$ 8,123</u>	<u>\$ 3,832</u>
<b>PAYROLL WITHHOLDING FUND</b>				
<i>Assets</i>				
Cash	\$ 1,324	\$ 172,132	\$ 172,552	\$ 904
Due From Other Funds	<u>523</u>	<u>543</u>	<u>523</u>	<u>543</u>
Total Assets	<u>\$ 1,847</u>	<u>\$ 172,675</u>	<u>\$ 173,075</u>	<u>\$ 1,447</u>
<i>Liabilities</i>				
Accounts Payable	\$ -	\$ 168,119	\$ 168,025	\$ 94
Due to Other Funds	31	-	31	-
Salaries, Benefits, and Payroll Taxes Payable	1,674	90,126	90,594	1,206
Claims/Judgments Payable	<u>142</u>	<u>12</u>	<u>7</u>	<u>147</u>
Total Liabilities	<u>\$ 1,847</u>	<u>\$ 258,257</u>	<u>\$ 258,657</u>	<u>\$ 1,447</u>
<b>SALARY FUND</b>				
<i>Assets</i>				
Cash	\$ 63	\$ 443,837	\$ 443,829	\$ 71
Total Assets	<u>\$ 63</u>	<u>\$ 443,837</u>	<u>\$ 443,829</u>	<u>\$ 71</u>
<i>Liabilities</i>				
Accounts Payable	\$ -	\$ 809,822	\$ 809,822	\$ -
Salaries, Benefits, and Payroll Taxes Payable	<u>63</u>	<u>10,466</u>	<u>10,458</u>	<u>71</u>
Total Liabilities	<u>\$ 63</u>	<u>\$ 820,288</u>	<u>\$ 820,280</u>	<u>\$ 71</u>
<b>VOUCHER FUND</b>				
<i>Assets</i>				
Cash	\$ 2	\$ 2,177,308	\$ 2,177,308	\$ 2
Total Assets	<u>\$ 2</u>	<u>\$ 2,177,308</u>	<u>\$ 2,177,308</u>	<u>\$ 2</u>
<i>Liabilities</i>				
Accounts Payable	\$ 2	\$ 2,177,308	\$ 2,177,308	\$ 2
Total Liabilities	<u>\$ 2</u>	<u>\$ 2,177,308</u>	<u>\$ 2,177,308</u>	<u>\$ 2</u>

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**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

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**AGENCY FUNDS**

**For the Year Ended December 31, 2004**

*(In Thousands)*

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<b>RESIDUAL CASH INVESTMENT FUND</b>				
<i>Assets</i>				
Cash and Equity in Pooled Investments	\$ (1,600)	\$ 32,717	\$ 33,277	\$ (2,160)
Interest Receivable	2,792	4,969	4,316	3,445
Due from Other Funds	1	264	227	38
	<u>1,193</u>	<u>37,950</u>	<u>37,820</u>	<u>1,323</u>
Total Assets	<u>\$ 1,193</u>	<u>\$ 37,950</u>	<u>\$ 37,820</u>	<u>\$ 1,323</u>
<i>Liabilities</i>				
Due to Other Funds	\$ 1,193	\$ 1,745	\$ 1,615	\$ 1,323
Total Liabilities	<u>\$ 1,193</u>	<u>\$ 1,745</u>	<u>\$ 1,615</u>	<u>\$ 1,323</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<i>Assets</i>				
Cash and Equity in Pooled Investments	\$ 3,593	\$ 2,834,116	\$ 2,835,060	\$ 2,649
Interest Receivable	2,792	4,969	4,316	3,445
Due from Other Funds	524	807	750	581
	<u>6,909</u>	<u>2,839,892</u>	<u>2,840,126</u>	<u>6,675</u>
Total Assets	<u>\$ 6,909</u>	<u>\$ 2,839,892</u>	<u>\$ 2,840,126</u>	<u>\$ 6,675</u>
<i>Liabilities</i>				
Accounts Payable	\$ 2	\$ 3,155,275	\$ 3,155,155	\$ 122
Due to Other Funds	1,224	1,745	1,646	1,323
Salaries, Benefits, and Payroll Taxes Payable	1,737	100,592	101,052	1,277
Deposits Payable	3,804	8,125	8,123	3,806
Claims/Judgments Payable	142	12	7	147
	<u>6,909</u>	<u>3,265,749</u>	<u>3,265,983</u>	<u>6,675</u>
Total Liabilities	<u>\$ 6,909</u>	<u>\$ 3,265,749</u>	<u>\$ 3,265,983</u>	<u>\$ 6,675</u>